

**WORLD TRADE
ORGANIZATION**

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sovereign right to regulate in accordance with its own developmental needs and national policy objectives.

We should always remain alive to the objectives we set in the Marrakesh Agreement which, I quote are "to raising standards of living, ensuring full employment and a large and steadily growing

countries integrate the world economy, will not only become empty shells and devoid of any substance, but also threaten the fragile industrial base in these countries.

Let me refer to the latest report of the World Bank on the Doha Development Agenda where it has been explicitly recognized that tariff dismantlement is not a panacea that would help poor countries move out from poverty. As I mentioned earlier, market access remains meaningless in the absence of the capacity to produce. In a market oriented system, it is not just a matter to produce but to be as competitive a producer as all the other players on the market. Only then will the field be levelled, otherwise the system will generate numerous casualties and loss of scarce resources.

In his paper "the two faces of globalization", Branko Milanovic of the World Bank very eloquently depicts the irony of tariff liberalization. In a sarcastic vein, he states, quote "the only thing that a country needs to do is to open up its borders, reduce tariffs, attract FDI and in a few generations if not less, the poor will become rich, the illiterate will learn how to read and write and inequality will vanish as the poor countries catch up with the rich" unquote. The reality as we all know is totally different. It simply begs the question whether resource poor countries with the structural constraints that characterize their economies would ever be able to compete with the technologically advanced, resource rich and highly comp